

Charity Registration No. 1136028

MUSIC FIRST
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

MUSIC FIRST

Report of the Trustees For the year ended 31 August 2014

The trustees have pleasure in presenting their report and financial statements for the year ended 31 August 2014.

Reference and administrative details of the Charity, its Trustees and Advisers

Music First is registered as a charity in England and Wales (no: 1136028).

The principal operating address is The Music Hub at Highbury Grove School. The administrative address is Brewers' Hall, Aldermanbury Square, London, EC1V 7HR.

The charity's trustees who served during the period and up to the date of this report were:

Mr. C Strowger	Chairman
Mr S Drury	Treasurer
Mr. L Cunningham	
Mrs. C Pepper	
Mr. R Pepper	
Mr. J Kempton	
Ms M Hay	

The charity's principal advisors are

Bankers	Lloyds TSB 25 Gresham Street London EC2V 7HN
	Scottish Widows Bank 67 Morrison Street Edinburgh EH3 8YJ
Independent Examiner	Paul Windmill FCA Myers Clark Chartered Accountants Iveco House Station Road Watford WD17 1DL

Structure, Governance and Management

The charity is constituted under a Declaration of Trust dated 18 May 2010 and was registered as a charity on 20 May 2010 and is administered in accordance with the Trust Deed by the trustees.

The minimum number of trustees is three. New trustees are appointed by the existing trustees. The first trustees serve until retirement and subsequently appointed trustees serve for a period of two years.

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Report of the Trustees (continued) For the year ended 31 August 2014

Structure, Governance and Management (continued)

The trustees meet regularly to review activities and agree future actions. The charity has no staff and the day to day financial management is undertaken under a service level agreement by The Brewers' Company. The financial position is reviewed regularly by an appointed Finance Committee chaired by the Treasurer.

Objectives and Activities

The principal objects as set out in the Declaration of Trust are the advancement of education of the public in the art and science of music and music performance, in particular but not exclusively amongst children and young people as a means to improve their academic achievement.

In furtherance of these objects the charity provides training in orchestral playing for children from poor backgrounds by:

- Providing staff and other teaching resources
- Providing musical equipment
- Providing the opportunity to participate in musical events

When setting objectives, the trustees give due regard to the Charity Commission guidance on public benefit.

Achievements and Performance

Music First operates from two secondary schools in Islington; Highbury Grove and Islington Arts and Media schools, who continue to host the primary school students once a week after school. The support received from both host schools is essential to the Music First model and provides the perfect environment for children to experience collective music making in a different setting. The trustees record their appreciation for this support and the encouragement extended to the students.

One of the most exciting highlights of the year is the annual concert when all the participating schools come together and play their instruments in a formal setting. This year the concert was held at the Hackney Empire, a truly spectacular theatre, and the children rose to the occasion and played inspired music. This event was funded by a most generous donation from the John Ryder Memorial Trust and the trustees are most grateful for their continuing financial help in staging this important occasion in the annual calendar. Performing in public is a key component in building confidence and the feedback from the children, parents and tutors has been exceptional. This year, with the advantage of a larger stage, we were able to invite senior players from the hub schools and also a guest appearance from a school specialising in children with acute learning difficulties.

As the Music First programme matures, so the capacities at the two hub schools become stretched. To relieve the demand pressure and also to provide a more advanced experience for those students with proven ability we are creating a Music First Youth Orchestra to be based at the Laycock Centre under the direction of a newly appointed manager with very strong credentials. This additional feature to the Music First programme has been funded by the Trusthouse Charitable Trust and we are indebted to them for their generous support.

During the year an independent audit of the operating activities of the charity was commissioned. This was conducted by a highly respected leader in music education.

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Report of the Trustees (continued) For the year ended 31 August 2014

The report was very complimentary about the Music First model and how it is being implemented on the ground. It did recommend that trustees consider how to elevate its profile now that the two pilot schemes have demonstrated such success. This is under review and action will be taken to address this in the coming year.

Plans for future periods

In parallel with the Music first programme, the Borough of Islington has embarked on a major music initiative across its supported secondary schools to establish music as a core element in the curriculum for years 7, 8 and 9. This is already under way with funding provided by the Dame Alice Owen's Foundation and the project is being managed by the Music in Secondary Schools Trust under a service agreement. This has significant implications for Music First as, over time, primary schools not yet on the programme will be able to benefit from this expansion. There are 45 primary schools in Islington and to date through the two pilot schemes Music First reaches out to just 11. A key objective for the trustees over the coming year will be to see how this secondary schools initiative could accelerate enhanced music provision into the remaining primary schools in Islington.

Acknowledgements

The trustees wish to acknowledge the huge contribution to the success of this project by the many institutions who provide the essential funding. It goes without saying that without this financial support none of our achievements to date would have been possible. Also, the enormous commitment and enthusiasm demonstrated by our two hub community leaders, Kirsty Wilcockson and Matthew Leaver, and by our senior tutor Tara Franks, need to be recognised together with the many tutors and friends engaged in the programme. The benefits, both academic and social, are becoming increasingly evident, and provide the encouragement to all our stakeholders to take our project to its next stage of developments.

Related and Connected Parties

Marianna Hay, a trustee of Music First, is a Founder and Artistic Director of the National Orchestra For All (NOFA) which was jointly funded by Music First; Teach First and Achievement for All in the year.

Len Cunningham, a trustee of Music First, is a Director of Arts First, a lead organisation for the Islington Music Education Hub. Music First is a partner organisation to Arts First.

Clive Strowger, a trustee of Music First, is chairman of the Dame Alice Owen Advisory Committee. The Committee advises Brewers' Company as Trustee of Dame Alice Owen's Foundation, on the distribution of income to beneficiaries which has included Music First.

Financial Review

During the year the charity raised £138,482 (2013 - £155,236). The principal supporters of the charity were the London Borough of Islington, Dame Alice Owen's Foundation, The Cass Foundation and Big Lottery Fund who contributed a total of £100,000 (2013 - £103,000) in grants and donations. In addition, the charity raised a further £28,000 (2013 - £35,000) from other charitable trusts and foundations, £10,176 (2013 - £13,392) from corporate supporters and £92 (2013 - £2,898) from individuals.

The charity expended a total of £127,844 (2013 - £130,627) in the year on its objectives.

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Report of the Trustees (continued) For the year ended 31 August 2014

Reserves Policy

The trustees regularly review the finances, budgets and spend against budget together with cash flow. The current nature of the charity's activities is such that its expenditure is predictable over the three terms of the school year.

The trustees have a target to build free reserves in unrestricted funds to honour their commitment to the children so that they can complete their music education over a full academic year. The trustees consider that this level will provide sufficient funds to allow it to continue supporting its music programme in schools and allow cover for support and governance costs.

The trustees review the level of reserves to ensure that they are adequate to fulfill the charity's continuing obligations on a regular basis.

At the 31 August 2014 the charity had £78,718 (2013 - £68,080) in general reserves.

This report was approved by the trustees on 9 December 2014 and signed on their behalf by:

Mr. C Strowger
Chairman

Mr. S Drury ACIS
Treasurer

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Independent Examiner's Report to the Trustees For the year ended 31 August 2014

I report on the accounts of the Trust for the year ended 31 August 2014, which are set out on pages 6 to 10.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Paul Windmill FCA
Myers Clark
Chartered Accountants
Iveco House
Station Road
Watford WD17 1DL

Dated: 31 March 2015

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Statement of Financial Activities For the year ended 31 August 2014

	Note	Unrestricted £	Restricted £	2014 Total £	2013 Total £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	3	116,092	22,176	138,268	154,290
Fundraising events		-	-	-	191
Bank interest		214	-	214	755
Incoming resources from charitable activities					
		-	-	-	-
Total incoming resources		116,306	22,176	138,482	155,236
Resources expended					
Fundraising expenses					
		20,142	-	20,142	22,341
Charitable activities					
Staff & teaching resources		75,858	-	75,858	78,280
National Orchestra for All		-	-	-	9,875
Musical equipment		7,419	-	7,419	9,693
Musical events		3,041	10,000	13,041	2,678
Sundry		-	-	-	350
Administration and governance					
Management fee		6,000	-	6,000	6,000
Strategic audit		1,682	-	1,682	-
Independent Examiner's fee	4	1,560	-	1,560	1,000
Sundry		2,142	-	2,142	410
Total resources expended		117,844	10,000	127,844	130,627
Net incoming/(outgoing) resources before transfers		(1,538)	12,176	10,638	24,609
Transfer between funds					
		-	-	-	-
Net incoming/(outgoing) resources after transfers		(1,538)	12,176	10,638	24,609
Funds brought forward		68,080	-	68,080	43,471
Funds carried forward		66,542	12,176	78,718	68,080

The notes on pages 8 to 10 form part of these accounts

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Balance Sheet As at 31 August 2014

	Note	2014 £	2013 £
Current assets			
Debtors and prepayments		-	100
Cash at bank		109,876	109,916
		109,876	110,016
Creditors: amounts due within 12 months			
Other creditors		(18,603)	(23,416)
Accruals		(12,555)	(18,520)
		(31,158)	(41,936)
Net assets		78,718	68,080
Funds			
	6		
Restricted funds		12,176	-
Unrestricted general funds		66,542	68,080
Total funds		78,718	68,080

The notes on pages 8 to 10 form part of these accounts

The accounts were approved by the trustees on 9 December 2014 and signed on their behalf by:

Mr. C Strowger
Chairman

Mr. S Drury ACIS
Treasurer

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Notes to the Accounts For the year ended 31 August 2014

1 Accounting policies

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards, the Charities Act 1993 and Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 in so far as it applies to smaller charities and in accordance with the following accounting policies:

Incoming resources

Donations and other voluntary income are recognised when receivable in so far as they are capable of financial measurement. Incoming resources received which relate entirely to future accounting periods are deferred.

Resources expended

Resources expended are recognised in the period in which they are incurred with liabilities being recognised where there is a legal or constructive obligation to pay.

Resources expended include irrecoverable VAT.

Funds

Incoming resources which are subject to restrictions imposed by the donor are identified as restricted funds. Expenditure is charged against restricted income where it meets the restrictions of the fund.

Capitalisation

Musical instruments that are purchased for loan to or use by students are written off when purchased. All other capital items over £500 in value are capitalised and written off in equal annual installments over their estimated useful life as follows:

Computer equipment - 3 years

Other equipment - 4 years

2 Local Government and Housing Act 1989

In accordance with subsection 37(4) of the Local Government and Housing Act 1989, all grants have been fully utilised in accordance with the terms under which they were originally granted and have been expended on revenue items in the normal course of the charity's activities.

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Notes to the Accounts (continued) For the year ended 31 August 2014

3 Voluntary income

	2014	2013
	£	£
Grants		
London Borough of Islington	30,000	30,000
Dame Alice Owen's Foundation	60,000	50,000
Big Lottery Fund – Awards for All	10,000	-
	100,000	80,000
Donations – Trusts and Corporations		
John Ryder Memorial Trust	10,000	10,000
Trusthouse Charitable Trust	5,000	-
The Steele Charitable Trust	5,000	-
The Wixamtree Trust	4,000	4,000
Metropolitan Masonic Charity	4,000	-
Cass Foundation	-	23,000
Cripplegate Foundation	-	10,000
Harold Hyam Wingate Foundation	-	5,000
Morris Charitable Trust	-	5,000
WH Whitbread	-	1,000
	28,000	58,000
Donations – Corporate		
The Mercers' Company	7,176	-
The Doyle Carte Company	3,000	-
M&G	-	7,392
The Goldsmiths Company	-	3,000
Tudor Capital Europe LLP (Match Funding)	-	2,500
Rexam	-	500
	10,176	13,392
Donations - Individuals	92	2,898
Total voluntary income	138,268	154,290

4 Independent Examiner's fee

	2014	2013
	£	£
Independent Examination services		
Current year	1,300	1,000
Prior year (over)/under provision	260	-
	1,560	1,000

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Notes to the Accounts (continued) For the year ended 31 August 2014

5 Trustees' remuneration

None of the trustees received any remuneration in the period (2013: none).

6. Movement on funds

	1 September 2013	Incoming Resources	Resources Expended	Transfers	31 August 2014
	£	£	£	£	£
Restricted funds					
Annual Concert	-	10,000	(10,000)	-	-
Orchestra	-	5,000	-	-	5,000
Transforming Lives	-	7,176	-	-	7,176
	-	22,176	(10,000)	-	12,176
Unrestricted funds					
General fund	68,080	116,306	(117,844)	-	66,542
Total funds	68,080	138,482	(127,844)	-	78,718

7. Purpose of Restricted Fund Balances

The Orchestra funds represent unspent funds received to set up and Orchestra. Funds need to be spent by January 2015.

Transforming Lives represent funds received to transform the lives of disadvantaged children through music. The funds will be spent during 2014/15

8. Related Party Transactions

Dame Alice Owen Foundation (DAOF)

Clive Strowger, a trustee of the charity, is chair of the DAOF Advisory Committee which approves awards from DAOF and is a Court member of the DAOF Trustee, Brewers' Company. DAOF awarded £60,000 to Music First in the year (2013: £50,000). There were no outstanding balances at 31 August 2014 (2013: nil).

Arts First

Len Cunningham, a trustee of the charity, is a Director of Arts First which received £2,885 (2013: £3,072) in the year. Arts First is the lead organisation for the Islington Music Education Hub. It is a Community Interest Company co-directed by Len Cunningham and Nathan Theodoulou. At 31 August 2014, Music First owed to Arts First £nil (2013: £109).